

29 October 1976

MEMORANDUM FOR: Deputy Director for Administration

FROM : James H. McDonald
Director of Logistics

SUBJECT : Background for Meeting with General
Services Administration (GSA) Officials
on 1 November 1976

Jack:

1. In response to the ADD/A's suggestion to provide background information for the subject meeting and other issues that could be brought up, I have attached a number of documents. Attachment A represents memoranda of a meeting between Real Estate and Construction Division and GSA on 5 October 1976. The purpose of this meeting was to review the status of ongoing and projected projects that GSA was performing in support of the Agency. As can be perceived from the memoranda, the conversation centered substantially around the possible need for prospectus on these projects, particularly those exceeding \$500,000. It was during this meeting that Mr. Steele pointed out repeatedly that it would be imperative for the Agency to continue to certify exemption from Section 7 of Public Law 92-313 (section requiring prospectus) if it wished to continue as an effective intelligence organization.

2. Attachment B represents a list of current and projected projects that exceed \$500,000, together with a description of the basic requirement as well as a project description and cost. It was this paper that we presented to the Office of General Counsel on 26 October 1976 in an attempt to sway Mr. Lapham to authorize us to use Section 8 of the Director's authorities for exemption purposes. Mr. Lapham has tasked [REDACTED] to

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STATINTL 3. With respect to any other issues that could or should be brought up with GSA during this meeting, I would recommend that: (1) we, of course, listen to Messrs. Steele and Galuardi on the need for exemption to Section 7 of PL 92-313 and, (2) use this as an entree to bring up the current problem associated with acquiring the balance of [REDACTED] property. With respect to the latter, and as you know, the holdup in this area is primarily in the Central Office of GSA who are now establishing priorities Government-wide for acquisition of new space or renewal of current leases. GSA has approximately \$70,000,000+ in requests from Government agencies for lease-hold space versus a congressional limitation of \$41,000,000. Since both Messrs. Galuardi and Steele are from the Regional Office of GSA, they may defer on this since it is now being handled by the Central Office of GSA. Other major programs that are ongoing with GSA were pretty well addressed as noted in Attachment A, and I do not think it would serve a useful purpose to rehash them since most of them are on track at the present time.

4. You will note that Mr. Steele made reference to the possibility of the necessity for a prospectus for modifications to a given building even though individual projects did not exceed \$500,000, but on an accumulative basis would. We do not believe he is serious with respect to this comment, but in the event such action were required, Attachment C is a list of all engineering support projects currently underway and projected for FYs 76, 77, and 78. It can be easily discerned that the cumulative of some of these smaller projects will also exceed \$500,000 and particularly when coupled with space modifications generated by Logistics Services Division which generally exceed \$500,000 a year.

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James H. McDonald

Atts

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